

# TANF Funding Overview

Prepared for the TANF Strategic  
Planning Committee

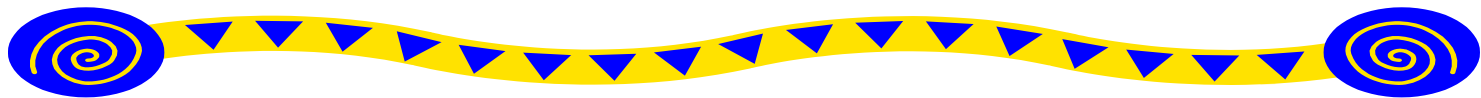
April 2014

# Three Sources of Funding

**TANF Federal Block Grant**

**Carryover of Block Grant**  
from Previous Years

**TANF Maintenance of Effort MOE**  
State General Fund



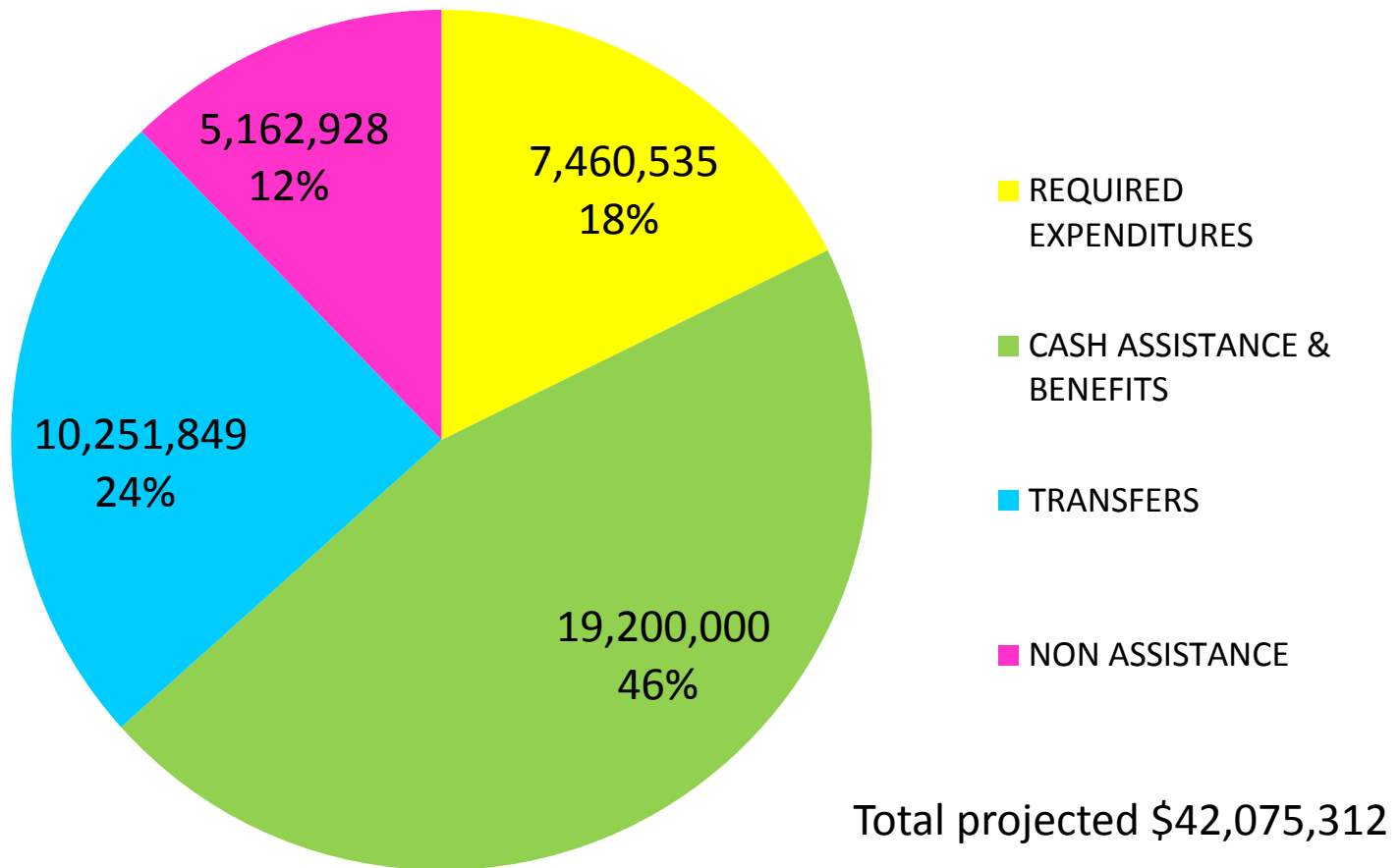


\$38,039,116



- The State's portion of the federal TANF block grant that Montana receives each year net of tribal set asides
- Tribes operating their own TANF programs receive the set-aside funds directly from US HHS.
  - Ft. Belknap
  - Chippewa Cree (Rocky Boy)
  - Blackfeet
  - Confederated Salish & Kootenai
- Grant funds not used at the end of a year carryover indefinitely. Originally c/o could only be spent on benefits.
- Carryover from FY 2013 to FY 2014 was **\$38,199,384**
- Now, carryover can be spent on anything.

# Projected TANF Federal Expenditures SFY 2014

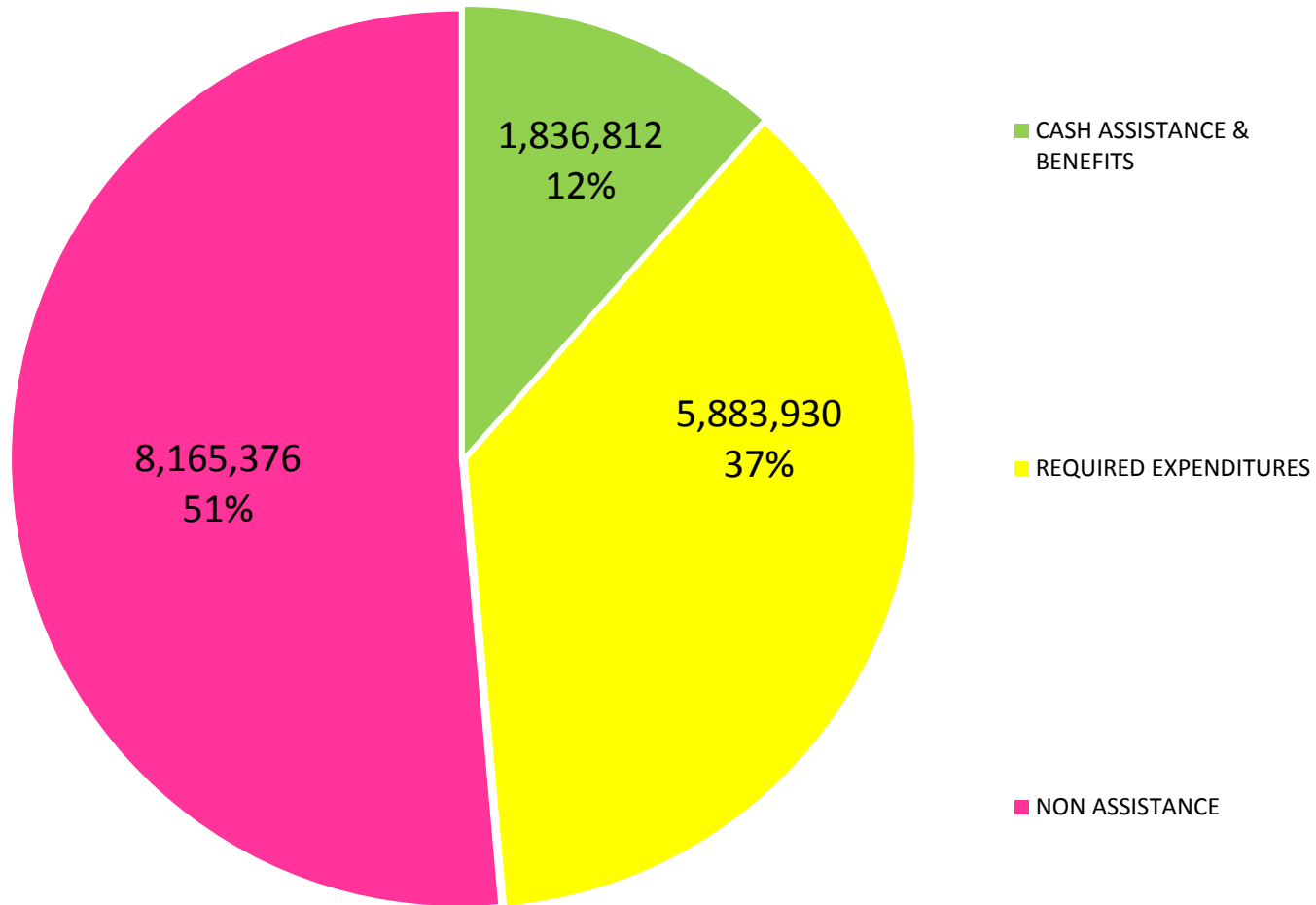


| TANF FEDERAL BLOCK GRANT                        |                       |                  |
|---|-----------------------|------------------|
|   | SFY 2014<br>Projected | % of Expenditure |
| Carryover of Grant Balance                      | 38,199,384            |                  |
| Grant Amount                                    | 38,039,116            |                  |
| Beginning Balance                               | 76,238,500            |                  |
| Cash Assistance                                 | 17,000,000            |                  |
| Emergency Assistance & Foster Care Benefits     | 2,200,000             |                  |
| <b>CASH ASSISTANCE &amp; BENEFITS</b>           | <b>19,200,000</b>     | <b>46%</b>       |
| Required Expenditures by Statute or Rule:       |                       |                  |
| Total Cost Allocation (Indirects)               | 6,260,535             |                  |
| CHIMES Maintenance & Operations (TSD)           | 1,200,000             |                  |
| <b>REQUIRED EXPENDITURES</b>                    | <b>7,460,535</b>      | <b>18%</b>       |
| Transfers:                                      |                       |                  |
| Child Care                                      | 7,676,010             |                  |
| Additional Transfer Child Care                  | -                     |                  |
| Additional Transfer Foster Care                 | 577,613               |                  |
| Title XX program 03                             | 1,998,226             |                  |
| <b>TRANSFERS</b>                                | <b>10,251,849</b>     | <b>24%</b>       |
| Other TANF Uses:                                |                       |                  |
| Adult Basic Education                           | 200,000               |                  |
| Big Brothers and Big Sisters Programs           | 350,000               |                  |
| CASA Program                                    | 150,000               |                  |
| Child Care for Working Caretaker Relatives      | 466,833               |                  |
| Food Banks                                      | 175,000               |                  |
| MOST After School Program                       | 500,000               |                  |
| Second Chance Home Services Support             | 300,000               |                  |
| Employment Programs & (FES Training 1/1/14 f    | 1,370,620             |                  |
| Family Economic Security Plan--(Fin Literacy 1/ | 1,650,475             |                  |
| Summer Youth Employment (DOLI)                  | -                     |                  |
| <b>NON ASSISTANCE</b>                           | <b>5,162,928</b>      | <b>12%</b>       |
| <b>TOTAL EXPENDITURES</b>                       | <b>42,075,312</b>     |                  |
| Projected Ending Balance (Carryover to FY 15)   | 34,163,188            |                  |

# \$13,129,100 75% MOE

- In order to receive federal funds, Montana is required by US HHS to use state General Fund called Maintenance of Effort or MOE.
- The current MOE requirement is 75% of 1994 spending
- Every dollar spent above the 75% can be used to reduce the Work Participation Rate via Caseload Reduction Credit.
- Caseload Reduction Credit reduces the percentage of participants in work activities needed to meet the required rates.
- Other factors affect Caseload Reduction Credit.
- Important because 2 parent Work Participation rate is 90%.
- If we don't meet our participation rate, we pay a steep penalty and our MOE is increased to 80% of 1994 spending.
- It takes several years for US HHS to determine if we met the Work Participation rate. (FY 2011 approval rec'd 4/15/14)
- We have chosen to spend at least 80% MOE.
- MOE expenditures are limited by the General Fund appropriation.
- Many MOE expenditures could alternately be federal expenditures.

# TANF General Fund Maintenance of Effort (MOE) Projected SFY 2014 Expenditures



Projected spending \$15,886,118

**TANF GENERAL FUND MAINTENANCE OF EFFORT (MOE)**

|  | SFY 2014 Projected | % of Expenditure |
|--|--------------------|------------------|
| <b>TANF Cash Assistance &amp; Benefits</b>     |                    |                  |
| TANF Child Care or Benefits                    | 0                  |                  |
| TANF Benefits                                  | 694,990            |                  |
| TANF Supportive Services                       | 1,141,822          |                  |
| <b>CASH ASSISTANCE &amp; BENEFITS</b>          | <b>1,836,812</b>   | <b>12%</b>       |
| <b>TANF Required Expenditures</b>              |                    |                  |
| Direct Admin                                   | 625,000            |                  |
| Direct Program                                 | 145,000            |                  |
| State Program                                  | 1,149,293          |                  |
| Workers Compensation for Work Experience Sites | 85,000             |                  |
| Fort Belknap Indian Community MOE              | 256,156            |                  |
| Chippewa Cree (Rocky Boy) MOE                  | 335,182            |                  |
| Blackfeet Tribal Employment & Training         | 884,309            |                  |
| TANF System                                    | 10,000             |                  |
| System Maintenance & Operation                 | 1,080,000          |                  |
| Child Care MOE                                 | 1,313,990          |                  |
| <b>REQUIRED EXPENDITURES</b>                   | <b>5,883,930</b>   | <b>37%</b>       |
| <b>TANF Non Assistance</b>                     |                    |                  |
| WoRC Support*                                  | 7,815,376          |                  |
| Childrens Basic Coverage                       | 350,000            |                  |
| <b>NON ASSISTANCE</b>                          | <b>8,165,376</b>   | <b>51%</b>       |
| <b>TOTAL TANF MOE</b>                          | <b>15,886,118</b>  |                  |
| MOE Requirement 75%                            | 13,129,100         |                  |

\* Work support is required as a condition of the grant. How Montana delivers work support activities and the amount of funding is discretionary.



# Moving Forward MOE

| TANF GENERAL FUND MAINTENANCE OF EFFORT (MOE)  |                       |                       |                       | SFY 2015              |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
|  | SFY 2014<br>Projected | SFY 2015<br>Projected | SFY 2016<br>Projected | SFY 2017<br>Projected |
| TANF Child Care or Benefits  | 0                     |                       |                       |                       |
| TANF Benefits  | 694,990               |                       |                       |                       |
| TANF Supportive Services County  | 1,141,822             |                       |                       |                       |
| <b>CASH ASSISTANCE &amp; BENEFITS</b>  | <b>1,836,812</b>      | <b>1,600,000</b>      | <b>1,600,000</b>      | <b>1,600,000</b>      |
| Direct Admin   | 625,000               | 656,250               | 689,063               | 723,516               |
| Direct Program   | 145,000               | 152,250               | 159,863               | 167,856               |
| State Program  | 1,149,293             | 1,206,758             | 1,267,096             | 1,330,450             |
| Workers Compensation for Work Experience Sites   | 85,000                | 85,000                | 85,000                | 85,000                |
| Fort Belknap Indian Community MOE  | 256,156               | 256,156               | 256,156               | 256,156               |
| Chippewa Cree (Rocky Boy) MOE  | 335,182               | 335,182               | 335,182               | 335,182               |
| Blackfeet Tribal Employment & Training   | 884,309               | 884,309               | 884,309               | 884,309               |
| TANF System  | 10,000                | 10,000                | 10,000                | 10,000                |
| System Maint/Operation   | 1,080,000             | 1,080,000             | 1,080,000             | 1,080,000             |
| Child Care MOE   | 1,313,990             | 1,313,990             | 1,313,990             | 1,313,990             |
| <b>REQUIRED EXPENDITURES</b>   | <b>5,883,930</b>      | <b>5,979,895</b>      | <b>6,080,658</b>      | <b>6,186,459</b>      |
| WoRC Support*  | 7,815,376             | 8,049,837             |                       |                       |
| Childrens Basic Coverage   | 350,000               | 350,000               |                       |                       |
| <b>NON ASSISTANCE</b>  | <b>8,165,376</b>      | <b>8,399,837</b>      |                       |                       |
| <b>TOTAL TANF MOE</b>  | <b>15,886,118</b>     | <b>15,979,732</b>     |                       |                       |
| MOE Requirement 75%  | 13,129,100            | 13,129,100            | 13,129,100            | 13,129,100            |
| <b>MOE Requirement 80%</b>   | <b>14,004,373</b>     | <b>14,004,373</b>     | <b>14,004,373</b>     | <b>14,004,373</b>     |
| * Work support is required as a condition of the grant. How Montana delivers work support activities and the amount of funding is discretionary. |                       |                       |                       |                       |
| lines highlighted can also be TANF Federal expenditures  |                       |                       |                       |                       |

# Moving Forward Federal

| TANF FEDERAL BLOCK GRANT                                     |            |            |            |            |
|--|------------|------------|------------|------------|
|  | Projected  | Projected  | Projected  | Projected  |
| State Fiscal Year  | SFY 2014   | SFY 2015   | SFY 2016   | SFY 2017   |
| Estimated Carryover of Grant Balance                         | 38,199,384 | 34,163,188 | 27,887,276 | 22,142,811 |
| Grant Amount   | 38,039,116 | 38,039,116 | 38,039,116 | 38,039,116 |
| Beginning Balance  | 76,238,500 | 69,927,046 | 63,342,811 | 55,230,500 |
| Cash Assistance and Benefits*                                | 19,200,000 | 19,200,000 | 22,200,000 | 23,200,000 |
| Required Expenditures  | 7,460,535  | 7,500,000  | 7,600,000  | 7,600,000  |
| Total Transfers  | 10,251,849 | 10,251,849 | 11,400,000 | 11,400,000 |
| Balance  | 39,326,116 | 32,975,197 | 22,142,811 | 13,030,500 |
| <b>RAINY DAY Funding</b>                                     |            |            |            |            |
| Other TANF Uses:   |            |            |            |            |
| Abstinence   |            |            |            |            |
| Accelerated Employment Service Program                       | 0          |            |            |            |
| Adult Basic Education  | 200,000    | 200,000    |            |            |
| Big Brothers and Big Sisters Programs                        | 350,000    | 350,000    |            |            |
| Blackfeet Tribal NEW Program                                 | -          | -          |            |            |
| CASA Program   | 150,000    | 150,000    |            |            |
| Child Care for Working Caretaker Relatives                   | 466,833    | 466,833    |            |            |
| Food Banks   | 175,000    | 100,000    |            |            |
| Grandparents Raising Grandchildren Conf.                     | -          | -          |            |            |
| LIEAP additional for TANF recipients                         |            |            |            |            |
| Low-Income Housing   |            |            |            |            |
| MOST After School Program                                    | 500,000    | 500,000    |            |            |
| Second Chance Home Services Support                          | 300,000    | 300,000    |            |            |
| Summer Food Program (20% of Actual Exp)                      | -          | -          |            |            |
| FES & Employment Programs:                                   |            |            |            |            |
| Employment Programs & (FES Training 1/1/14 forward)          | 1,370,620  | 1,720,138  |            |            |
| Family Economic Security Plan--(Fin Literacy 1/1/14 forward) | 1,650,475  | 1,300,950  |            |            |
| Individual Development Accounts                              |            |            |            |            |
| Special Projects   | -          | -          |            |            |
| Subsidized Employment (20% of Actual Exp)                    | -          | -          |            |            |
| Summer Youth Employment (20% of Actual Exp)                  | -          | -          |            |            |
| Summer Youth Employment (DOLI)                               | -          | -          |            |            |
| TOTAL Other TANF Uses  | 5,162,928  | 5,087,921  | -          | -          |
| Ending Balance   | 34,163,188 | 27,887,276 | 22,142,811 | 13,030,500 |

# Moving Forward Federal

| TANF FEDERAL BLOCK GRANT                                     |            |            |            |            |
|--|------------|------------|------------|------------|
|  | Projected  | Projected  | Projected  | Projected  |
| State Fiscal Year  | SFY 2014   | SFY 2015   | SFY 2016   | SFY 2017   |
| Estimated Carryover of Grant Balance                         | 38,199,384 | 34,163,188 | 27,887,276 | 12,142,811 |
| Grant Amount   | 38,039,116 | 38,039,116 | 38,039,116 | 38,039,116 |
| Beginning Balance  | 76,238,500 | 69,927,046 | 63,342,811 | 55,230,500 |
| Cash Assistance and Benefits*                                | 19,200,000 | 19,200,000 | 22,200,000 | 23,200,000 |
| Required Expenditures  | 7,460,535  | 7,500,000  | 7,600,000  | 7,600,000  |
| Total Transfers  | 10,251,849 | 10,251,849 | 11,400,000 | 11,400,000 |
| Balance  | 39,326,116 | 32,975,197 | 22,142,811 | 13,030,500 |
| <b>RAINY DAY Funding</b>                                     |            |            |            |            |
| Other TANF Uses:   |            |            |            |            |
| Abstinence   |            |            |            |            |
| Accelerated Employment Service Program                       | 0          |            |            |            |
| Adult Basic Education  | 200,000    | 200,000    |            |            |
| Big Brothers and Big Sisters Programs                        | 350,000    | 350,000    |            |            |
| Blackfeet Tribal NEW Program                                 | -          | -          |            |            |
| CASA Program   | 150,000    | 150,000    |            |            |
| Child Care for Working Caretaker Relatives                   | 466,833    | 466,833    |            |            |
| Food Banks   | 175,000    | 100,000    |            |            |
| Grandparents Raising Grandchildren Conf.                     | -          | -          |            |            |
| LIEAP additional for TANF recipients                         |            |            |            |            |
| Low-Income Housing   |            |            |            |            |
| MOST After School Program                                    | 500,000    | 500,000    |            |            |
| Second Chance Home Services Support                          | 300,000    | 300,000    |            |            |
| Summer Food Program (20% of Actual Exp)                      | -          | -          |            |            |
| FES & Employment Programs:                                   |            |            |            |            |
| Employment Programs & (FES Training 1/1/14 forward)          | 1,370,620  | 1,720,138  |            |            |
| Family Economic Security Plan--(Fin Literacy 1/1/14 forward) | 1,650,475  | 1,300,950  |            |            |
| Individual Development Accounts                              |            |            |            |            |
| Special Projects   | -          | -          |            |            |
| Subsidized Employment (20% of Actual Exp)                    | -          | -          |            |            |
| Summer Youth Employment (20% of Actual Exp)                  | -          | -          |            |            |
| Summer Youth Employment (DOLI)                               | -          | -          |            |            |
| TOTAL Other TANF Uses  | 5,162,928  | 5,087,921  | 10,000,000 | -          |
| Ending Balance   | 34,163,188 | 27,887,276 | 12,142,811 | 13,030,500 |